

Senator Maroney, Senator Cicarella, Representative D'Agostino, Representative Rutigliano and Honorable Members of the General Law Committee, thank you for the opportunity to offer testimony regarding a number of cannabis bills.

Fine Fettle is Connecticut's cannabis company. We are locally owned and operated and have put in the time, work, and effort to open 3 of the state's first hybrid dispensaries, opened with our social equity partners the first Equity Joint Venture in the state, paid our \$3,000,000 fee for our DIA cultivator license without litigation, employ 150 people, and volunteer, donate, and give back across our state. We have a diverse team across all levels giving 401ks, benefits, PTO, paid volunteer days, and plans to add an additional 300 jobs in our state.

In six weeks, our state's adult use cannabis sales have not seen the success from a market sizing expected. We are fighting an uphill battle against neighboring states who are taking CT tax revenue, which will ultimately lead to fewer jobs and positive economic impact of Disproportionate Impact Areas needing the tax revenue of RERACA. Creating statute with negative market impact is bad for our state overall.

<u>Bill 6697</u> -- Support with changes

In bill 6697 we are in support of the vast majority of this bill with two key caveats that are problematic and three needed additions.

1. The expansion of prohibiting static billboards during daytime hours completely removes one of our only ways to advertise in already stricter rules than nearly every other state in the country. We already cannot compete on products due to regulations on products that a CT resident can drive 20 minutes North or East and easily purchase. Cannabis marketing should be held to the same standard as liquor or gambling. We are playing a game with our hands tied behind our back. Adding this prohibition to the geographic and 21+ percentages kills one of our few ways to market in an already near-impossible environment.

- 2. Codifying that EJVs between DIA cultivators and dispensary backers must also be subject to 20 miles is a singular impact on our locally-owned business. The ownership structures are different and the reasons for receiving EJVs are different. It is a hurt on our social equity partners who are the people this law was meant to help. The 20-mile buffer should be held in different regard between dispensary backers and DIA cultivator backers.
- 3. In addition to what is listed in the bill, we firmly believe it is imperative to codify that Section 149 cultivators cannot open a dispensary until their cultivation facility receives final licensure. These are not dispensary licenses and never had the intent to be. They are, at their core, cultivation licenses and operators should not be able to skirt the responsibility they applied for.
- 4. Additionally, Section 149 licenses must be held to their legal attestation to pay their 3-million-dollar fee within a timeline versus an open time period to pay whenever. 11 companies have completed their duty and 30 have not and should not have an open calendar. Rules have changed and it is unfair to operators who attested to a certain standard and completed our obligations.
- 5. If medical dispensaries do not convert to hybrid and do not pay their \$500,000 conversion fee, it should be made clear they cannot receive an equity joint venture license. The law here is unclear and not written and must be codified.

Bill 6699 -- Support with key changes remedied.

1. The language regarding forcing companies to use a specific labor union is against all spirit of open choice for both businesses and employees. Entities like ours have completed all requirements properly and because a singular union, who has not seen an employee in this industry unionize, is unhappy, should not trigger important and impactful change towards employees.

<u>Bill 6700 -- Oppose</u>

Just like every other possible applicant, hemp farmers in Connecticut had the opportunity to apply for a DIA cultivator license like everyone else. There should be no jumping of the queue, or any other standard added later on.

Benjamin Zachs
Fine Fettle
Connecticut, Massachusetts, Rhode Island, Georgia, and Beyond!